# GOVERNMENT OF INDIA
# HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
# LOK SABHA

UNSTARRED QUESTION NO:2719
ANSWERED ON:16.12.2004
BURN STANDARD CO. LTD. RANIGANJ
Zahedi Shri Mahboob

**Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:**

(a) whether refractory units of BSCL at Raniganj in West Bengal used to manufacture Silica Bricks to cater to the need of IISCO`s Steel Plant at Burnpur mainly;

(b) whether on 1st November, 2000 those units were closed down on the plea of recurring losses;

(c) whether the amount spent on account of VRS to 3500 workmen of the Refractory & Ceramine Units could have been batterly utilised towards modernisation in the interest of the nation;

(d) if so, please state categorically how much amount was spent towards VRS;

(e) whether the Government propose to modernize some of the R&C Units;

(f) if so, the details thereof and amount required therefor;

(g) whether BSCL Management after closure engaged security agency to guard the property and machinery of those closed R&C Units at a paltry amount for 112 security guards which could afford for only 70 guards;

(h) whether those security guards have not been paid their salary for the last more than 11 months practically threatening them to starvation in absence of renewal of security agency; and

(i) if so, the steps taken by the Government in this regard?

## Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a): Yes Sir. IISCO was one of the main buyer of Silica Bricks produced by Raniganj works.

(b): BIFR, while sanctioning the revival scheme of M/s. Burn Standard Co. Limited (BSCL) on 16.04.1999, has, inter alia, recommended closure of 7 loss making refractory and ceramic units including Raniganj Units, since they were not found viable.

(c) to (f): On the date of closure - 31.12.2000 there were 428 employees of Raniganj Group of refractory units (Raniganj No.2, Lalkotti, Durgapur, Andal). All the employees were separated under VRS by payment of Rs.625.60 lac as compensation. Since the units were not found viable by BIFR there is no proposal to modernize the same.

(g) to(i): A private agency was engaged for security of Raniganj Works. However, the ex-employees of Raniganj works did not allow the said agency to undertake the job. As a result, the question of payment of salary to security guards does not arise.